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X-Perist R. DUDMAN

Confirmation Of CIA Head To Be Opposed

Senator McCarthy to Question
McCone on War-
time Profits.

By RICHARD DUDMAN
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of the Post-Dispatch.

WASHINGTON, Jan. 11.

SENATOR EUGENE J. Mc-
CARTHY (Dem.), Minnesota, has
decided to oppose the confirma-
tion of John A. McCone as direc-
tor of the Central Intelligence
Agency.

McCarthy told the Post-Dis-
patch he will appear before the
Senate Armed Forces Commit-
tee in opposition to the appoint-
ment, which President Kennedy
made last September when Con-
gress was in recess. The White
House is expected to send the
nomination to the Senate soon.

McCarthy said he would sub-
mit a list of questions to the
committee on elements in Mc-
Cone's record that McCarthy be-
lieves disqualify him for the po-
sition as chief of the nation's
highest intelligence organization.

McCarthy wants the commit-
tee to look into a complaint that
McCone demanded the dismissal
of 10 faculty members at Cali-
fornia Institute of Technology
after they supported Adlai E.
Stevenson on the nuclear test
ban issue in the 1956 presidential
campaign.

THE SENATOR wants to know
more about McCone's wartime
profits as a shipbuilder. McCar-
thy said also that he is not satis-
fied with what he knows of Mc-
Cone's attitude in the CIA's se-
cret operations, such as partici-
pation in the 1954 revolution in
Guatemala and the attempted in-
vasion of Cuba last April.

"I do not consider him quali-
fied, and I will vote to con-
firm him," McCarthy said.

It was known that McCone
had a record of "leakage" of
CIA secrets after he was re-
leased from the military in 1945.

received no encouragement from
other Senators since making a
statement, shortly after the re-
cess appointment was announced,
that he had doubts about its
wisdom.

HE SAID HE HAD been away
from Washington and had solli-
cited no support in the recess.

McCone, 45, chairman of the
Atomic Energy Commission, won
the friendship of members of the
powerful Senate House Joint
Committee on Atomic Energy.
A recent study of the committee
financed by an independent foun-
dation, concluded that he won
friends there by giving the com-
mittee information and preroga-
tives that normally would be
held within the executive branch.

The Cal Tech incident occurred
when McCone was a member of
the school's board of trustees.
He was active also in the Eisen-
hower campaign.

When the Joint Committee on
Atomic Energy held hearings in
1958 on McCone's nomination to
the AEC, the questioning missed
the point of the incident.

McCONE WAS ASKED whether
he knew of a demand that the 10
faculty members be fired. He re-
plied that no one had ever been
dismissed from Cal Tech on his
advice or recommendation. The
10, in fact, were not fired, but
McCone never was asked whether
he had sought the dismissal of
the scientists.

Concerning McCone's wartime
profits, a House committee in-
vestigation in 1946 brought out
that his California Shipbuilding
Co. made \$31,417,000 in four and
one-half years.

After the war, the Government
gave the McCone company the
shipyard the Government had
built for it at a cost of \$25,000,-
000, together with \$2,500,000 to
pay for its conversion to peace-
time use, plus shipbuilding ma-
terials that had cost the Gov-
ernment \$14,000,000.

House investigators figured the
company's annual profits on
paid-in capital as 6982 per cent
before taxes and 1964 per cent
after taxes. McCone disputed this
calculation at the time, putting
the annual fees and profits at
only 96 per cent before taxes and
27 per cent after taxes. His cal-
culation included stockholders'
loans and bank loans in working
capital.

ON THE CIA operations issue,
McCarthy said he would pro-
pose that the committee inquire
whether McCone believes the
CIA has an open mandate, un-
der the authority of the

The Senator intends also to
ask about McCone's views of a
long-standing proposal for a
watchdog committee of Congress
to oversee activities of the CIA
and other intelligence and in-
formation agencies.

McCarthy and 20 co-sponsors
introduced the latest joint reso-
lution on the subject last April
27, shortly after the collapse of
the Cuban invasion. Action on
the proposal has been delayed
at the request of President Ken-
nedy.

An earlier, similar proposal by
Senator Mike Mansfield (Dem.),
Montana, now Senate majority
leader, was defeated in the Sen-
ate in 1955 after being opposed
by Sen. George Aiken (Rep.),
Maine, chairman of the Armed
Services Committee.